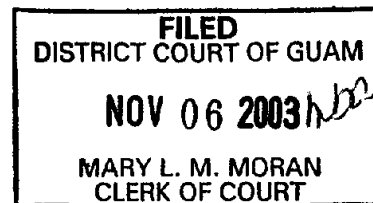


Joaquin C. Arriola  
Anita P. Arriola  
Arriola, Cowan & Arriola  
259 Martyr Street, Suite 201  
Hagåtña, Guam 96910  
Telephone: (671) 477-9730/33  
Facsimile: (671) 477-9734



Counsel for Plaintiffs

IN THE UNITED STATES  
DISTRICT COURT OF GUAM

ALAN SADHWANI, LAJU	)	CIVIL CASE NO. 03-00036
SADHWANI, and K. SADHWANI'S	)	
INC., a Guam corporation,	)	
	)	
Plaintiffs,	)	DECLARATION OF JOAQUIN C.
	)	ARRIOLA IN OPPOSITION TO
vs.	)	DEFENDANTS' EX PARTE
	)	APPLICATION AND MOTION FOR
HONGKONG AND SHANGHAI	)	ORDER GRANTING HSBC
BANKING CORPORATION, LTD., a	)	ADDITIONAL TIME TO RESPOND
Foreign corporation, JOHN DOE I	)	TO COMPLAINT
through JOHN DOE X,	)	
Defendants.	)	
	)	

JOAQUIN C. ARRIOLA, under penalty of perjury declares as follows:

1. I am lead counsel for Plaintiffs, Alan Sadhwhani, Laju Sadhwhani, and K. Sadhwhani, Inc. in this action. I have personal knowledge of the matters contained herein.
2. I have reviewed the Declaration of Jacques A. Bronze in Support of HSBC's Ex Parte Application. Mr. Bronze states in paragraph 2 of his Declaration that a good faith effort was made by his "co-counsel" to advise plaintiff's counsel of the date, time and place of substance of HSBC's Ex Parte Application. This is false. This matter was originally filed in the Superior Court of Guam. On November 3, 2003, Richard Pipes telephoned me and informed me that he was counsel for defendant HSBC. He requested on behalf of his client

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an extension of time within which to file an answer to the plaintiffs' Complaint. I informed him that my client would not agree to an extension of time to file an answer to the Complaint or respond to the Request for Production of Documents or Interrogatories which we have served on HSBC. By letter dated November 4, 2003, (copy enclosed) Mr. Pipes informed me that he would be filing an ex parte application for extension of time to file an answer to the Complaint in the Superior Court of Guam. I received Mr. Pipes letter before Notice of Removal was filed in this Court. Mr. Pipes has never advised me of the date, time or place or substance of an ex parte application filed by HSBC in the District Court of Guam. The first notice that I received of HSBC's ex parte application was upon receipt of the Notice of Ex Parte Application, Mr. Bronze's Declaration and the Memorandum of Points and Authorities which was received by my office at 11:17 a.m. on November 6, 2003. Moreover, Mr. Pipes is not listed as co-counsel to Jacques Bronze in this matter and in this Court.

3. Local Rule 7.1 (j) provides that applications for ex parte orders shall be supported by a certification stating reasons why a stipulation could not be obtained or notice could not be given. Local Rule 7.1 (j) (1) (b) also requires counsel to advise the Court in writing of efforts to contact other counsel whether any other counsel opposes the application and whether opposing counsel requests to be present when the application is presented to the Court. HSBC's counsel Mr. Bronze has failed to comply with Local Rule 7.1 (j) (1) (b). For these reasons, HSBC's Ex Parte Application should be denied for failure

to comply with Local Rule 7.1. See Local Rule 7.1 (f) (Failure to file required papers shall result in papers not being considered and Local 7.1 (l) (Court need not consider motions that do not comply with Local Rule 7.1).

Further your declarant sayeth not.

Dated this 6th day of November, 2003

A handwritten signature in black ink, appearing to read "J. Arriola", written over a horizontal line.

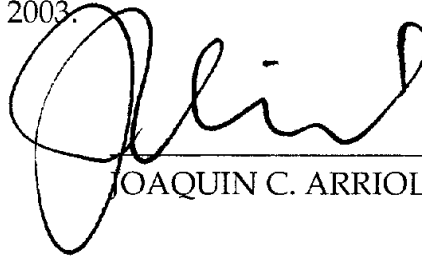
JOAQUIN C. ARRIOLA

**CERTIFICATE OF SERVICE**

I, JOAQUIN C. ARRIOLA, hereby certify that on November 6, 2003, I caused to be served via hand delivery, **DECLARATION OF JOAQUIN C. ARRIOLA IN OPPOSITION TO DEFENDANTS' EX PARTE APPLICATION AND MOTION FOR ORDER GRANTING HSBC ADDITIONAL TIME TO RESPOND TO COMPLAINT** to:

Jacques A. Bronze  
Bronze & Tang, P.C.  
2nd Floor, BankPacific Building  
825 S. Marine Drive  
Tamuning, Guam 96913

Dated this 6th day of November, 2003.

A handwritten signature in black ink, appearing to read 'J. Arriola', is written over a horizontal line.

JOAQUIN C. ARRIOLA

ARRIOLA, COWAN & ARRIOLA, HAGATNA, GUAM 96910

11-4-03; 5:21PM; BRONZE / PIPES LAW ; 671 6477671 # 2/ 3

Law Offices Of  
Richard A. Pipes  
BankPacific Building, Suite 201  
825 South Marine Drive  
Tamuning, Guam 96913  
Phone-(671)646-2001, Fax-(671)647-7671  
E-mail: *pipeslaw@guam.net*

November 4, 2003

**VIA FACSIMILE**

Joaquin C. Arriola, Esq.  
Arriola, Cowan & Arriola  
259 Martyr Street, Suite 201  
Hagatna, Guam 96910

Re: *Sadhwani, et al. v. HSBC*

Dear Mr. Arriola:

Thanking for taking my telephone call yesterday. This letter will confirm some of the matters we discussed.

On behalf of HSBC, I requested that your clients stipulate to an additional thirty days within which to answer or otherwise respond to the Complaint and prepare responses and/or objections to the propounded discovery. You advised me that your clients would not be willing to consider granting such an extension unless HSBC were able to obtain a similar extension from Paradise Marine Corporation ("PMC") on your clients' payment obligations on the debt now owned by PMC.

Unfortunately, as I advised you in our telephone conversation, HSBC is in no position to assist your clients on their payment obligations since the loan was sold by HSBC to PMC in August. Accordingly, any requests for extensions are more appropriately addressed to PMC.

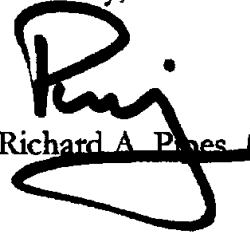
Since your clients will not agree to grant HSBC's request for additional time to respond to the Complaint and discovery we have no other alternative than to apply to the Court for relief. We are in the process of preparing the necessary pleadings and will make an *ex parte* application to the Superior Court shortly. I will advise you when we have secured a time and date with the judge assigned to *ex parte* matters.

Letter to Joaquin C. Arriola, Esq.  
Arriola, Cowan & Arriola  
November 4, 2003  
Page 2

This letter is not intended as, and should not be construed to be, a general appearance by HSBC in this matter and all rights and defenses are reserved.

Should you have any questions, please feel free to contact me.

Sincerely,



Richard A. Pines

cc: Chris Underwood  
Jacque A. Bronze, Esq.

RAP/nsb/HSBC/cor